

**Testimony of Mark Masselli, President and CEO
Community Health Center, Inc.
Appropriations Committee
March 1, 2023**

**H.B. No. 6659 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE 30, 2025, AND MAKING APPROPRIATIONS THEREFOR. (Human
Services Agencies)**

To the members of the Appropriations Committee: Co-Chairs Senator Osten and Representative Walker, and Ranking Members Senator Berthel and Representative Nuccio.

I am Mark Masselli, President and Chief Executive Officer of Community Health Center, Inc. which was founded in Middletown in 1972 and now has over 200 sites throughout the state of Connecticut. Last calendar year, we saw 103,000 individuals, of whom 70% were from racially and ethnically diverse populations.

Federally Qualified Health Centers have benefited from bi-partisan support both here in Connecticut and in Washington. In 1989, Congress enacted cost-based reimbursement requirements for FQHC's nationwide – this legislation was designed to build a system of primary care that would serve those living in poverty and from racially and ethnically diverse populations. This single piece of legislation, championed by legislators from both sides of the aisle, was the cornerstone that helped grow the health center movement from serving hundreds of thousands of people to today, where we are serving over 30 million people nationwide and hundreds of thousands of Connecticut residents.

In 2001, Congress gave states the ability to build on those rates going forward. CT's Department of Social Services promulgated regulations in 2015 that would allow Health Centers to have their rates adjusted for a number of very good reasons, including:

- A change in the volume or amount of services as a result of a significant expansion, or
- A change in operational cost attributable to capital expenditures, including new service facilities.

But all of our requests for adjustments have been denied by the Department, including an expansion in Hartford when CT Children's Medical Center requested CHC take over CT's largest pediatric practice caring for 13,000 young people — or our \$50 million capital expansion to build new facilities across Connecticut, including a new primary medical facility in Stamford.

Connecticut, historically a national leader in supporting of the work of FQHCs, has fallen far behind almost every other state, be it red or blue, in paying what care costs, eroding our promise to serve the most vulnerable in our society.

In short, the state's rate adjustment regulations are a fiction. Every one of our requests for an adjustment have been denied. In the past ten years, only the mandated federal COLA adjustments totaling 11.5% have been made to our rates. This has resulted in a significant funding gap and has left us with little choice other than to ask the General Assembly to intervene.

We calculate the financial shortfall for all FQHCs in the state to be approximately \$112 million.

Thus, I ask the Appropriations Committee to allocate \$15 million of state funding annually to FQHCs for the next two years:

- FMAP (federal match) would generate \$30M low end - \$45M higher range
- This would at least start us on the process of getting CT back to its historic commitment to FQHCs

Thank you for your time today. I am happy to take questions.